

The Real World Cost of Postage Rate Increases on Non-Profits

In the fundraising sector of non-profit first class mail is still one of the main drivers for donations. In some places it is essentially still required as most donors expect to receive their donation tax forms in their mailbox delivered by the United States Postal Service. Yearly, we are required to acknowledge donors with gifts of \$250.00 or more. Most of the cost of these documents is postage even at current rates. Invitations to fundraising events are still done nearly exclusively through USPS. Even cards mailed to families of community members that have requested donations instead of flowers at their funeral are mailed using the United States Postal Service. The USPS provides an essential service to the communities it serves and with a rate increase(s) on non-profits this would cause significant and new struggles for the non-profits and the communities they serve.

The impact of this change would hurt non-profits of all size from those with hundreds of dollars of contributions per year to those with hundreds of millions of dollars of contributions per year. The direct result would be likely a decrease in contributions and a decrease in the use of physical mail by non-profits. The biggest loss would be from donors that are able to contribute an amount of \$5 to \$15 at a time as postage would become a larger percentage of the cost to them. As the average contribution has declined in recent years for non-profits across the nation this change would farther exacerbate this decline. This creates a feedback loop leading to fewer services being available from local non-profits which leads to a less prosperous community. This less prosperous community is unable to provide as many contributions to non-profits which leads again back to fewer services being available from local non-profits. The cycle would continue and be exacerbated more so by each postage rate increase.

From a non-profit point-of-view a postage rate increase on non-profits would damage the communities, non-profits, and would lead to less physical mail being used by non-profits. Rural communities would be effected by this change the most as they rely most on the United States Postal Service. Small towns in our area often still have limited internet access, limited transportation options, and lower incomes than the urban centers. This would lead to even farther hardship for the areas already struggling in the current day. For those that are struggling every cent counts.

Thank you for giving us all a voice,

Logan Eddy